

Application Serial No. 10/089,504
Supplemental Amendment dated November 15, 2006
Reply to Office Action dated June 2, 2006

REMARKS/ARGUMENTS

Appreciation is extended to Examiner Karmis for the courtesy of granting a telephonic interview at which time amended Claim 1 was discussed. The Examiner has indicated that amended Claim 1 would be allowable over the prior art of record, subject, however, to an updated search. Independent Claim 19 submitted herewith has been amended in similar fashion.

The independent claims have been amended to better distinguish the inventive method from the prior art, and in particular to clarify that the micropayment account is held at an actual bank as opposed to the system disclosed in O'Neil '364 wherein the prepaid and credit-limited accounts are located in the billing system of the cellular telephone system.

Micropayments are a means for transferring small amounts of money in situations where collecting such small amounts of money with the usual payment systems is impractical or very expensive. Generally, micropayment systems accumulate many micropayments and collect the accumulated amount of money as one regular payment either before or after the transactions. This needs to be distinguished from payment by credit cards wherein processing a credit card transaction typically costs the merchant a certain minimum fee plus a few percent of the amount charged. This fee structure clearly is unworkable where small amounts of money are charged per transaction.

A micropayment account also differs from a typical prepaid account, the latter being suitable for charging services between a customer and usually one provider that manages the prepaid account. However, a conventional prepaid account is usually not suitable for charging services between one customer and a plurality of different providers, particularly where the customer uses the service of any one provider only sporadically.

Now that the inventive method has been clarified by way of the amendments to independent Claims 1 and 19, it is believed the application is in condition for allowance.

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However, if further issues remain, it is requested that the Examiner telephone the undersigned to discuss the possible resolution thereof so as to expedite prosecution of the application.

Respectfully submitted,

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CERTIFICATION OF FACSIMILE TRANSMISSION

I hereby certify that this correspondence is being facsimile transmitted to the Patent and Trademark Office (facsimile number 571-273-8300) on the date indicated below.

JOHN F. HOFFMAN, REG. NO. 26,280

Name of Registered Representative

[Signature]
Signature

November 15, 2006

Date